

RECEIVED
FEDERAL ELECTION
COMMISSION

May 14, 2010

2010 MAY 25 PM 2: 05

Thomasenia Duncan, Esquire
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

OFFICE OF GENERAL
COUNSEL

MUR # 6297

Re: Philip Liberatore, Liberatore for Congress Committee, and Philip L. Liberatore, CPA

Dear Ms. Duncan:

Pursuant to 2 USC § 437g(a)(1) and 11 CFR § 111.4, please accept this letter as a Complaint against Philip Liberatore ("Liberatore"), Liberatore for Congress Committee ("the Committee"), and Philip L. Liberatore, CPA ("the Corporation") for operating in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"), and Federal Election Commission ("FEC" or "Commission") regulations. More specifically, Liberatore, the Committee, and the Corporation have violated FEC regulations by accepting and making, respectively, impermissible in-kind corporate contributions. Additionally, Liberatore and the Committee have failed to disclose the illegal contributions on the Committee's April Quarterly Report ("the Report"), and the Corporation has impermissibly used corporate resources to facilitate contributions to the Committee.

I. Facts

Liberatore for Congress Committee is the principal campaign committee for Philip Liberatore, a candidate for the United States House of Representatives, campaigning to represent California's 42th Congressional District. The Committee's FEC Form 1 Statement of Organization was filed with the FEC on January 15, 2010. Liberatore's FEC Form 2 Statement of Candidacy was filed with the FEC on December 10, 2009.

Philip L. Liberatore, CPA is a professional corporation. The Corporation's website, located at <http://www.liberatorecpa.com/home.html>, states "Philip L. Liberatore, Certified Public Accountant is a professional corporation providing accounting, consulting and tax preparation services to business [sic] and individuals throughout Southern California." Liberatore is listed as President of the Corporation according to the Corporation's website. See <http://www.liberatorecpa.com/contact.html>.

On or about March 22, the Committee mailed a mail piece to an unknown class of recipients (hereinafter, "Campaign Mailer"). See Attachment 1 for copies of the front of the envelope and the contents of the Campaign Mailer. The front of the envelope has a logo in the top left corner that says "Phil Liberatore - Conservative for U.S. Congress - June 8, 2010", and the words "URGENT ELECTION INFORMATION" are also printed

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on the front of the envelope. The postage used is obviously from a mail permit. The number printed for the postage in the top right corner of the envelope is 02 1A 0004610690. The envelope contained a letter dated March 22, 2010 and signed by Liberatore asking for support in his campaign to represent the 42nd Congressional District in California, as well as a reply card and an invitation, both soliciting money for Liberatore and the Committee.

On or about April 26, 2010, the Corporation mailed a letter to an unknown class of recipients (hereinafter, the "Corporate Mailer"). See Attachment 2 for a copy of the front of the envelope. The front of the envelope has the following printed in the top left corner: "Philip L. Liberatore, CPA - A Professional Corporation - 16890 Valley View Avenue, La Mirada, California 90638-5824." Similar to the Campaign Mailer, a mail permit is used to provide the postage, and the number printed is 02 1A 0004610690. This is the same permit number as used for the Campaign Mailer. At the request of the recipient, we did not open the Corporate Mailer envelope and therefore cannot state what the envelope contained.

The Committee's April Quarterly Report, filed on April 19, 2010, does not include any disbursements reimbursing the Corporation for use of its mail permit, nor any inkind contribution from the Corporation for use of the mail permit.

II. Illegal Corporate Contributions

The Act and FEC regulations define contribution to include "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 USC § 431(8)(A)(i), 11 CFR § 100.52(a). Corporations are prohibited from making contributions to federal political committees, and federal political committees are prohibited from knowingly accepting or receiving contributions made from the general treasury funds of corporations. 11 CFR § 114.2 (a), (d).

The Committee has clearly used the Corporation's mail permit to send the Campaign Mailer. The mail permit numbers used for the Campaign Mailer and the Corporate Mailer are exactly the same. The Campaign Mailer was sent on or about March 22, 2010, and thus the Report should certainly include any expenditures made or inkind contributions received by the Committee related to this mailing. The Report does not disclose any such disbursements or receipts.

By permitting the Corporation to pay the cost of the postage for the Campaign Mailer, Liberatore and the Committee have accepted a prohibited corporate inkind contribution. Similarly, the Corporation has made an illegal inkind contribution equal in amount to the cost of the postage for the Campaign Mailer.

III. Failure to Report Illegal In-kind Corporation Contribution

Once an individual becomes a candidate, his or her principal campaign committee must file quarterly reports. 11 CFR § 104.5(a). The principal campaign committee is required to completely and accurately disclose all receipts and all disbursements according to FEC Regulations. 11 CFR §§ 104.3(a)(3), (b)(2).

Regardless of whether the postage for the Campaign Mailer was funded by a prohibited in-kind corporate contribution from the Corporation or by a disbursement from the Committee to reimburse the Corporation, the Committee failed to report the cost of the postage on its April Quarterly Report. This is a violation of the Act and FEC Regulations for which the Committee should be cited.

IV. Corporate Facilitation of Contributions

Corporations are prohibited from using corporate resources to facilitate the making of contributions to a federal political committee other than the corporation's separate segregated fund. 11 CFR § 114.2(f)(1). Examples of "facilitating the making of contributions" include fundraising activities by corporations without proper reimbursement to the corporation within a commercially reasonable time for the use of corporate facilities or resources, as well as instances where the corporation provides materials, such as postage, for the purpose of transmitting or delivering contributions. 11 CFR §§ 114.2(f)(2)(i)(B), (ii).

The Corporation permitted Liberatore and the Committee to use its mail permit for fundraising activities, and the Report does not disclose that the Committee reimbursed the Corporation for the cost of the postage. Thus, the Corporation has provided the postage for the purpose of raising contributions for the Committee, and has clearly violated the prohibition against corporate facilitation of contributions.

IV. Conclusion

Upon information and belief, and based upon the facts relayed herein, Philip Liberatore, Liberatore for Congress Committee, and Philip L. Liberatore, CPA have violated the Federal Election Campaign Act of 1971, as amended, and Federal Election Commission Regulations. Accordingly, we respectfully request that the Commission conduct an immediate investigation into the violations outlined above and impose the maximum penalty under law.

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The foregoing is correct and accurate to the best of my knowledge, information and belief.

Respectfully submitted,



Kerry Wilson


Sworn to and subscribed before me this 16th day of MAY, 2010.

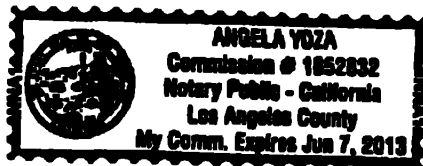

Notary Public

My Commission Expires: June 7th, 2013

State of California
County of LOS ANGELES
On 05/16/2010 before me, ANGELA YOZA, Notary Public,
personally appeared KERRY JAY WILSON —
who proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) were subscribed to the within instrument and acknowledged
to me that he executed the same in his authorized capacity, and
that by his signature on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.





Attachment 1

11044290300



P.O. Box 279 • La Habra, CA 90633

**URGENT
ELECTION
INFORMATION**



9175582208 C015  
Paid For by Liberators For Congress Committee

11044290301

- Diamond Bar
- La Habra Heights
- Rowland Heights
- Whittier
- Anaheim
- Brea



- La Habra
- Mission Viejo
- Placentia
- Rancho Santa Margarita
- Yorba Linda
- Chino & Chino Hills

March 22, 2010

Dear [REDACTED],

My name is Philip Liberatore, and I write to you as a Conservative Republican candidate for United States Congress from the 42nd district of California. I was raised in Southern California, where I've lived with my wife and daughters for more than twenty-five years. As a husband, father, and businessman, I'm writing to address concerns I have about the direction of our nation and the integrity of our leadership.

First and foremost, I love this country, and I remain thankful for the peace and prosperity that our individual liberties continue to provide. However, my family and friends have grown disheartened with our elected representatives in both California and Washington, and they are not alone. In the last year, poll after poll has shown that Americans' confidence in our Congress is at an historic low. In the last two years, politicians from both parties in Washington have acted with reckless irresponsibility, and they continue to ignore the difficulties that face this nation.

I firmly believe that America will rise above these current challenges, but in doing so, we must restore a sense of fiscal accountability and personal integrity to our nation's capital. To that end, I am running in opposition to Gary G. Miller, who has placed his own special interests ahead of the conservative principles he was elected to defend.

Over the past three decades, I've built a respected CPA practice, representing the interests of more than ten thousand local businesses and working families in my community. I know that hard work and traditional values are the foundation of success in this nation, and I will work tirelessly to preserve these same opportunities for my children and future generations of Americans.

Attached is my personal invitation to you, to come and hear me speak at an event in Laguna Hills. Also, an envelope and reply card is enclosed for your contribution. Can I count on your support, so I can work on behalf of the people in the 42nd District? To contribute online please go to www.liberatoreforcongress.com.

It is with the greatest humility that I ask for your support; I would be honored and privileged to serve you in the United States Congress.

Sincerely,

A handwritten signature in black ink that reads "Phil".

Philip L. Liberatore

11044290302

PLEASE JOIN
HONORARY HOSTS

*Please join the
Orange County Host, Andrew & Michelle Blount*

For A special event Honoring

Phil Liberatore

(Candidate for Congress 42nd District)

With special guests; Steve & Linda "Gummy nominated - Peaches" Tavani

At the home of Andrew & Michelle Blount

Laguna Hills, CA 92653

CASUAL BUSINESS ATTIRE

Saturday, March 27

RECEPTION 6:00 PM

DINNER 7:00 PM

- ☐ Yes, I would like to be a Host and contribute or raise \$4,800 (Hosts receive 10 tickets)
- ☐ Yes, I would like to be a Co-Host and contribute or raise \$2,400 (Co-Hosts receive 5 tickets)
- ☐ Yes, I would like ___ tickets @ \$250 per ticket enclosed is my contribution for \$ _____.
- ☐ I/We are unable to attend however enclosed is my/our contribution in the amount of \$ _____.

Please make check(s) payable to: **Liberatore for Congress**
P.O. Box 279
La Habra, CA 92633

TO RSVP PLEASE CONTACT:
Mike 714-310-3061
Please fax or email to the following:
FAX: 562-464-5848
mike@liberatoreforcongress.com

Campaign law requires us to obtain and report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of \$200 in an election cycle.

Name: Prefix _____ First _____ Middle _____ Last _____ Nickname _____

Spouse Name: _____ Home #: _____ Work #: _____

Address: _____ City: _____ State: _____ Zip: _____

Employer: _____ Cell #: _____ Fax: _____

Occupation: _____ Email: _____

If this contribution is intended to be a contribution from a couple, signature of spouse must be provided.

Credit Card Information Credit Card: (check one)

☐ Visa ☐ Mastercard ☐ American Express ☐ Discover

Card Number: _____ Amount: \$ _____ Expiration Date: _____

Cardholder Name: _____ Signature _____ Spouse Signature _____

Contributions are not tax deductible for income tax purposes. Contributions to Liberatore for Congress C00474114 are limited to \$2400 per person, per election.

Authorized and Paid for by Liberatore for Congress # C00474114

Yes! I want to help elect Phil Liberator to the United States Congress!



Phil Liberator will be counting on you to energize your friends and neighbors to help him get elected to the United States Congress in 2010.

Please check the categories in which you would like to help:

- ☐ Display Sign ☐ Walk my Neighborhood ☐ Make Phone Calls ☐ Put up Yard Signs
- ☐ Help with Mailings ☐ Sign up 5 Friends for Email Updates ☐ Help Turn Out the Vote on Election Day

Enclosed is my contribution, payable to "Liberator For Congress Committee"

☐ \$20. ☐ \$50. ☐ \$99. ☐ \$250. ☐ Other - up to \$2,400. \$

I certify that these are personal funds, not business or corporate funds.

Law requires the following information:

Name _____
 Address _____
 City _____ State _____ ZIP _____
 Phone (Day) _____ Phone (Night) _____
 Phone (Cell) _____ E-Mail _____
 *Occupation _____ *Employer _____
 (* For contributions of \$100 and above. If self employed, please list the nature of the business and the company name.)

Phil, you may use my/our name publicly as an endorsement.

Signature: _____

Contributions are not deductible as charitable contributions for Federal Income Tax purposes.

11044290304

P.O. Box 279 • La Habra, CA 90633



Please
Place
Stamp
Here

Thank You For Your Support!
www.LiberatorForCongress.com

Attachment 2



UNITED STATES POSTAGE
\$00.44
02-045-1353 APR 26 2011
MAILED FROM ZIP CODE 30822
PERMIT NO. 1000
ATLANTA, GA 30303
FIRST CLASS

La Mirada, California 90638-5824

THE UNIVERSITY OF CHICAGO